County Connection for week of 01/10/2018
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Pittsylvania County Administrator

Developing a $190 million budget proposal is a six-month process that requires input from dozens of employees, agencies, non-profit groups and ultimately, the Board of Supervisors. The list of needs always outpaces available revenue; the County Administrator and Finance Director are responsible for prioritizing requests and recommending a balanced funding proposal to the Board.

Work begins in November with every department forecasting the coming five-years of capital needs. Items as small as software and as significant as new courthouse and jail facilities are requested. Next is the submission of departmental and agency requests – due by the last day of the calendar year.

Every four years the County conducts an annual reassessment of property values that affects the amount of revenue expected from property taxes. Data received after this year's assessment indicates that, on average, property values increased about 6.5%. That means that the County will likely anticipate approximately $1.5 million in additional revenue if the Board does not change the tax rate. The County will realize approximately $400,000 for every penny levied under the new property assessment.

As soon as the New Year came we began meeting individually with each department manager to review requests for FY 2018-19. The County's department heads do a terrific job of submitting reasonable requests with very little "fluff" or unnecessary spending requests. Finance Director Kim Van Der Hyde and I review each line item and question new initiatives and look for more efficient ways to carry out the department's programs. This year we are asking each submitter two important questions: 1) Do you foresee any major changes in service during the next four years; and, 2) If we asked you to cut your budget 10%, where would you find the savings?

Ten years of lean budgets leaves little room for cuts. Our departments have performed admirably under strained financial conditions. To find enough savings to reduce next year's property tax rate we must propose seemingly dramatic expenditure reductions. Eliminating travel, training, and employee raises would merely nick the glacier we must surmount. Instead, we must look at reduction or wholesale elimination of services. We also will consider restructuring the organization to eliminate vacant positions and shift workloads among employees.

To find savings in $400,000 chunks is a challenge, especially when faced with $6 million in justifiable needs. The County needs help with the $75 million of school debt, help with the landfill, and help for our volunteer fire and rescue providers. These three matters alone are driving our financial challenges. Can we find enough savings to fund these three priorities without a tax increase? No, we cannot. However, we can find savings to offset their impact. We could eliminate the Recreation, Library, and Human Resources departments and end the School Resource Officer program to close about half of the gap – $3 million. Where do we find another $3 million? Will the citizens be happy without a library system? Will parents be okay with losing SROs in the middle schools and high schools? We have many tough decisions ahead.

As you can see, staff has a difficult job proposing a budget that is acceptable to the County's citizenry. The budget is a staff proposal that the Board of Supervisors must consider and ultimately adopt. Once it is "handed over" in late February, the Board has about six weeks to dig in, ask questions, propose alternatives, and adopt a financial plan for the County, the School Division, the Sheriff, Social Services, Fire departments and many other agencies that provide critical services for our citizens. It is a tough job, but the Board seems resolute to "Build a Strong Foundation for the Future."